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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/874,070	06/06/2001	Robert Kocher		5657

7590 09/20/2006  
ROBERT W. KOCHER  
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ARLINGTON, VA 22203

EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3693

DATE MAILED: 09/20/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/874,070	KOCHER, ROBERT	
	<b>Examiner</b>	<b>Art Unit</b>	
	JAGDISH PATEL	3693	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 06 June 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-12 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-12 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## DETAILED ACTION

### *Claim Rejections - 35 USC § 112*

1. Claims 1-12 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
2. The claims contain numerous inconsistencies, which render the claims unclear and therefore indefinite. Certain examples (in reference to claim 1) are provided below.

Limitation (a) refers to “a user” whereas limitation (c) refers to “with each user”.

Limitation (b) refers to “a host securities broker or securities exchanger” which has no communication link to the computer work station associated with the users.

Limitations (a) – (d) when combined amounts to computer workstations associated with users linked to a computer network. However, there is recitation of the user interacting with the computer workstations and therefore to the host securities broker etc. of step (b).

Replace the phrase “containing but not limited to” with “comprising” (see step (e)).

Replace “the instructions” with “instructions” etc. since the term “instructions” have not been previously defined or referenced, i.e. no antecedent basis exists for it. Please review entire and all claims for such deficiencies.

Steps (f) and (g) recites intended result that would occur based upon process recited in steps (a) through (e). The examiner points out that limitation recites the aforementioned limitations (f) and (g) only in terms of intended use (whereby said ...will initiate transaction to buy or sell a security...etc.) This intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably

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distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim. In a claim drawn to a process of making, the intended use must result in a manipulative difference as compared to the prior art. See *In re Casey*, 370 F.2d 576, 152 USPQ 235 (CCPA 1967) and *In re Otto*, 312 F.2d 937, 939, 136 USPQ 458, 459 (CCPA 1963).

In order to correct this deficiency, the applicant is advised to redraft the claims so the process recited in steps (f) and (g) is positive form. For example,

(f) initiating a transaction to buy or sell the security by the host securities broker based upon the order initiated by the user in step (e),

(g) upon confirmation of the transaction, reentering a reverse order for the security at said change in securities price specified by the user,

(h) executing the reverse order,

whereby said user or broker need not ...

The examiner has presented claim 1 analysis as exemplary analysis. However, all other claims contain similar and numerous deficiencies. The applicant is requested to fully and completely review all claims, correct deficiencies by further amendment.

### ***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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Claims 5-8 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

A claim directed to or including within its scope a human being will not be considered to be patentable subject matter under 35 U.S.C. 101. The claims recite within its scope a human being (a user or investor, see limitation (a) of claim 5). Per Commissioner Quigg's notice published at 1077 OG 24 (April 21, 1987), "a claim directed to or including within its scope a human being will not be considered to be a patentable subject matter under 35 U.S.C. 101" Dependent claims also inherit this deficiency.

### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

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6. Claims 1-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kane (US Pat. 6,317,728) (hereafter Kane).

Per claim 1-12 Kane teaches a method and apparatus of electronically trading securities. Kane discloses all elements (of apparatus) and corresponding process to carry out transactions as recited in claim 1. In particular, the features of reverse order and iterating through the buy-sell process more than one time based upon the user instructions. (See Figure 1 for infrastructure of practicing the method steps, see "Summary of the Invention" for specific processes involved and corresponding apparatus). The examiner asserts that the claimed inventions read upon the Kane reference. Kane teaches order initiated by a user via a computer network, whereby change in securities price for the follow-on transaction is specified by the user (see col. 3 L 3+).

Whereas, Kane teaches method and apparatus for sequenced transactions to buy or sell a security through an electronic securities exchange, the precise nature of the implement can be achieved by modification to the construction of the process and apparatus. The examiner takes official notice that such variations of securities trading, in particular for day trading, program trading etc. are old and well known in the securities trading. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Kane to achieve the claimed inventions by modification without deviating from the objective of Kane invention. The motivation for such modification is same as that annunciated by Kane, which is to monitor one or more securities per user instructions and carry out buy/sell security transactions automatically to give the user/investor his daily return on his investment.

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***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748.

The examiner can normally be reached on **800AM-630PM Mon-Tue and Thu.**

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammel can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3693)

9/17/06